REMARKS

1. Status of Claims

Claims 1-20 were pending in the Application. Applicant has amended claims 1, 4, 10 and 16 and canceled claims 14-15 without prejudice or disclaimer. Applicant respectfully requests entry of the above amendments and consideration of the enclosed remarks. Applicant submits that no new matter is added. Accordingly, claims 1-13 and 16-20 will remain pending in the application.

2. Rejections under 35 USC § 112

In section 2 of the Office Action, the Examiner rejected Claims 1, 4 and 19 under 35 U.S.C. 112, second paragraph as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant respectfully traverses the rejection.

The Examiner further explained the basis of his rejections in sections 3-5 of the Office Action. In section 3 of the Office Action, the Examiner rejected Claim 1 under 35 U.S.C. 112, second paragraph as allegedly being vague and indefinite for the recitation of the word "operatively connected." The Examiner further stated that is was "unclear to the Office what the Applicant means by operatively." The Applicant respectfully traverses the rejection and respectfully submits that there is nothing inherently wrong with defining some part of an invention in functional terms. Functional language does not, in and of itself, render a claim improper. MPEP 2173.05 (g). Furthermore, the Federal Circuit has noted that the claim term "operatively connected" is "a generally descriptive claim term frequently used in patent drafting to reflect a functional relationship between claimed components." In Innova/Pure Water Inc. v. Safari Water Filtration Sys. Inc., 381 F.3d 1111, 1117-20 (Fed. Cir. 2004).

In section 4 of the Office Action, the Examiner rejected Claim 4 under 35 U.S.C. 112, second paragraph for insufficient antecedent basis for the limitation "rate

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determination." The Applicant has amended Claim 4 to rectify a typographical error that resulted in the antecedent basis rejection.

In section 5 of the Office Action, the Examiner rejected Claim 19 under 35 U.S.C. 112, second paragraph as allegedly being vague and indefinite for the recitation of the phrase "the incentive is a penalty." The Examiner further stated that is was "unclear to the Office what the Applicant means by incentive." The Applicant respectfully traverses the rejection and respectfully submits that the phrase "the incentive is a penalty" would be clear to one skilled in the art in view of paragraphs 121 and 125 of the Specification, which state the following (respectively):

> The system described creates a new method for a postal authority to provide incentives to the customer population to try to maximize postal system profitability and influence their customers to use the most cost effective and efficient rate classes on an individual basis. (emphasis added)

> The output of the algorithm determines if that customer requires a change to their rate structure. The change to the postal rate structure can be the granting of one or more discounts, the removal of one or more discounts, a penalty, or a combination thereof. (emphasis added)

Accordingly, the Applicant respectfully submits that claims 1 and 19 and amended claim 4 comply with 35 U.S.C. 112 and respectfully request that the Examiner withdraw the rejection.

2. Rejections under 35 USC § 102(b)

In section 7 of the Office Action, the Examiner rejected Claims 1 and 10 under 35 U.S.C. 102(b) as allegedly anticipated by US Patent No. 5,995,950 issued to Barns-Slavin et al. (hereinafter "Barns-Slavin '950"). Applicant respectfully traverses the rejection.

Barns-Slavin '950 describes a carrier management system wherein discounted shipping charges are determined for groups of parcels that are shipped to a single consignee. See Barns-Slavin '950, col. 1, lines 10-14. The carrier management

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system of Barns-Slavin '950 stores a single rate database and uses predetermined requirements to determine if a discount should be applied to such rate database for a group of parcels that are being shipped to a single consignee. See Barns-Slavin '950, col. 2, lines 20-48. Barns-Slavin '950 does not teach, disclose or suggest storing two rate databases concurrently wherein one such rate database stores temporary rate data.

Therefore, Applicant respectively submits that Barns-Slavin '950 does not teach, disclose or suggest at least the following underlined portions of Claims 1 and 10:

1. A mailing machine comprising:
a processor;
a first memory portion operatively connected to the processor for storing a primary rate database;
a second memory portion operatively connected to the processor for concurrently storing temporary rate data;
a third memory portion operatively connected to the processor for storing rating instruction data; and
wherein the processor determines a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.

10. A mailing machine comprising:
means for processing instructions and data;
a first memory means for storing a primary rate database for access by the processing means;
a second memory means for concurrently storing temporary rate data for access by the processing means;
a third memory means for storing rating instruction data for access by the processing means; and
wherein the processing means includes means for determining a rate applicability determination using the rating instruction data, the primary rate database and the temporary rate data.

Accordingly, Applicant respectfully requests that the Examiner withdraw the rejection of Claims 1 and 10.

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Also in section 7 of the Office Action, the Examiner rejected Claims 16 and 19 under 35 U.S.C. 102(b) as allegedly anticipated by Barns-Slavin '950. Applicant respectfully traverses the rejection.

Barns-Slavin '950 describes a carrier management system that uses predetermined requirements to determine if a discount should be applied to a rate database for a group of parcels that are being shipped to a single consignee. See Barns-Slavin '950, col. 2, lines 20-48. Barns-Slavin does not teach, disclose or suggest obtaining or using incentive related usage data to determine the effectivity of the discount or whether the discount should be modified based on the incentive usage data. Therefore, Applicant respectively submits that Barns-Slavin '950 does not teach, disclose or suggest at least the following underlined portions of Claim 16 (and Claim 19 which depends on Claim 16):

> 16. A method for determining targeted incentives using a carrier information system having feedback comprising:
> obtaining customer usage and customer data;
> determining whether offering an incentive is desired;
> determining whether a customer is eligible for the incentive;
> offering the customer the incentive;
> obtaining incentive related usage data; and
> analyzing the incentive related usage data to determine effectivity, determining whether to modify the incentive.

Accordingly, Applicant respectfully requests that the Examiner withdraw the rejection of Claims 16 and 19.

Also, in section 7 of the Office Action, the Examiner rejected Claim 17 under 35 U.S.C. 102(b) as allegedly anticipated by Barns-Slavin '950. Applicant respectfully traverses the rejection.

Applicant respectfully submits that Claims 17 is dependent on Claim 16 and is therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 16.

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Finally, in section 7 of the Office Action, the Examiner also rejected Claim 18 under 35 U.S.C. 102(b) as allegedly anticipated by Barns-Slavin '950. Applicant respectfully traverses the rejection.

The Examiner stated that Barns-Slavin '950 discloses a "time based discount for at least one particular class of mail." However, Applicant has reviewed the cited passage and respectfully submits that such passage does not support the statement and apparently does not describe a time-based discount or a time-based threshold for changing rates. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection of Claim 18.

4. Rejections under 35 USC § 103(a)

In section 9 of the Office Action, the Examiner rejected Claims 2-5, 8-9 and 11 under 35 U.S.C. 103(a) as allegedly being rendered obvious by Barns-Slavin '950 and possibly in view of Official Notice. Applicant respectfully traverses the rejection.

Initially, the Applicant does not discern any statement of Official Notice in the Office Action. Applicant respectfully disputes any such notice or implicit inherency argument to the extent intended.

Applicant respectfully submits that Claims 2-5 and 8-9 are dependent on Claim 1 (and any intervening claims) and are therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 1. Applicant also respectfully submits that Claim 11 is dependent on Claim 10 and is therefore patentable over Barns-Slavin '950 for at least the reasons described above with reference to Claim 10.

Furthermore, regarding Claims 3-4, Applicant respectfully submit that Barns-Slavin '950 does not teach, suggest or disclose using a "temporary rate database."

Regarding Claim 9, Applicant respectfully submits that Barns-Slavin '950 does not teach, suggest or disclose clearing the "temporary rate data" every 24 hours. Moreover, the Applicant respectfully submits that the Examiner is using impermissible

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hindsight and the instant application as a roadmap to impermissibly conclude that one of ordinary skill in the art would modify Barns-Slavin '950 as suggested.

Accordingly, the Applicant respectfully requests that the Examiner withdraw the rejection to Claims 2-5, 8-9 and 11.

In section 10 of the Office Action, the Examiner rejected Claims 12-13 and 20 under 35 U.S.C. 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of U.S. Patent No. 5,072,401 to Sansone et al. ("Sansone '401"). Applicant respectfully traverses the rejection.

Even if the references were deemed to be properly combined, the combination does not render the invention as presently claimed obvious. For example, there is also no disclosure, teaching or suggestion in the cited references for "receiving customer data for a plurality of customers" or "creating a temporary rate database" as recited in Claim 12.

Claim 13 is patentable over the cited references for at least the same reason. In addition, there is also no disclosure, teaching or suggestion in the cited references for "receiving data relating to customer usage of the discount; and determining whether to adjust the discount" as recited in Claim 13. Applicant does not find such a disclosure, teaching or suggestion in Sansone '041 as suggested by the Examiner. Sansone '041 describes batch mail optimization to reduce the cost of Postal Service processing and delivery; however, Sansone '041 does not teach using the previous use of a discount to determine if that discount should be adjusted.

In regards to Claim 20, Applicant respectfully submit that Claim 20 is dependent on Claim 16 and is therefore patentable over the cited references for at least the reasons described above with reference to Claim 16.

Accordingly, the Applicant respectfully requests that the Examiner withdraw the rejection to Claims 12-13 and 20.

In section 11 of the Office Action, the Examiner rejected Claims 6-7 under 35 U.S.C. 103(a) as allegedly being rendered obvious by Barns-Slavin '950 in view of U.S. Patent Pub. No. US2002/0107820 A1 by Huxter.

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Applicant respectfully submits that Claims 6-7 are dependent on independent Claim 1 (and any intervening claims) and are therefore patentable over the cited references for at least the reasons described above with reference to Claim 1.

Accordingly, the Applicant respectfully requests that the Examiner withdraw the rejection to Claims 6-7.

5. Conclusion Of Remarks

For at least the reasons stated above, it is respectfully submitted that the claims of this application are in condition for allowance and early and favorable action thereon is requested.

If the Examiner believes that additional issues may be resolved by a telephone interview, the Examiner is respectfully urged to telephone the undersigned attorney for Applicant at (203) 924-3453.

6. Authorization

No fee is believed due with this Amendment. However, the Commissioner is hereby authorized to charge any additional fees which may be required for the response or credit any overpayment to the Pitney Bowes Inc. Deposit Account Number 16-1885, Order No. F-506.

In the event that an extension of time or additional extension of time is required to make this response timely filed, the Commissioner is requested to grant a petition for that extension of time which is required to make this response timely. The Commissioner is hereby authorized to charge any fee for such an extension of time

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or credit any overpayment for an extension of time to the Pitney Bowes Inc. Deposit Account Number 16-1885, Order No. F-506.

Respectfully submitted,

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